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MEETING

STATE OF CALIFORNIA

INTEGRATED WASTE MANAGEMENT BOARD

SUSTAINABILITY AND MARKET DEVELOPMENT COMMITTEE

JOE SERNA, JR., CALEPA BUILDING

1001 I STREET

2ND FLOOR

COASTAL HEARING ROOM

SACRAMENTO, CALIFORNIA

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CERTIFIED SHORTHAND REPORTER  
LICENSE NUMBER 13061

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

APPEARANCES

COMMITTEE MEMBERS

Mr. Gary Petersen, Chairperson

Ms. Cheryl Peace

Ms. Pat Wiggins

STAFF

Mr. Mark Leary, Executive Director

Ms. Julie Nauman, Chief Deputy Director

Ms. Marie Carter, Acting Chief Counsel

Ms. Deborah Balluch, Executive Assistant

Ms. Lorraine Van Kekerix, Acting Deputy Director

Mr. John Smith, Acting Deputy Director

Ms. Judith Friedman, Branch Manager, Organics & Resource  
Efficiency

Mr. Trevor O'Shaughnessy, Supervisor, State Agency  
Assistance Section

Ms. Rachelle Tarver

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

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1 PROCEEDINGS

2 CHAIRPERSON PETERSEN: Good morning, everybody.  
3 We're five minutes late.

4 Good morning and welcome to the California  
5 Integrated Management Board's Sustainability and Market  
6 Development Committee.

7 As a courtesy, would you please put your cell  
8 phones on silent mode.

9 Deb, could you please call the roll.

10 EXECUTIVE ASSISTANT BALLUCH: Peace?

11 COMMITTEE MEMBER PEACE: Here.

12 EXECUTIVE ASSISTANT BALLUCH: Wiggins?

13 COMMITTEE MEMBER WIGGINS: Here.

14 EXECUTIVE ASSISTANT BALLUCH: Petersen?

15 CHAIRPERSON PETERSEN: Here.

16 Are members of the committee up to date on ex  
17 partes?

18 COMMITTEE MEMBER PEACE: I spoke briefly to Eugene  
19 Tseng.

20 CHAIRPERSON PETERSEN: So did I.

21 Is there anyone who needs to speak to anything  
22 that's not on the agenda today? And if so, please fill  
23 out a speaker's request form in back and hand it to Deb,  
24 here, please.

25 ACTING CHIEF COUNSEL CARTER: Mr. Chairman,

1 Marie Carter.

2 CHAIRPERSON PETERSEN: Oh, hi, Marie.

3 ACTING CHIEF COUNSEL CARTER: Hi.

4 Marie Carter, senior staff counsel sitting in for  
5 Elliot Block today.

6 Before we start, I would like to take this  
7 opportunity to introduce our new attorney.

8 CHAIRPERSON PETERSEN: Oh, grand.

9 ACTING CHIEF COUNSEL CARTER: Oh, yes, very much  
10 so. This is Shelly Bromberg.

11 CHAIRPERSON PETERSEN: Hi, Shelly.

12 ACTING CHIEF COUNSEL CARTER: She's going to be  
13 taking over our RMDZ program, our loan program.

14 CHAIRPERSON PETERSEN: Great.

15 ACTING CHIEF COUNSEL CARTER: And she comes to us  
16 with 18 years' federal experience in loans.

17 CHAIRPERSON PETERSEN: Oh, my.

18 ACTING CHIEF COUNSEL CARTER: So we've got a real  
19 asset here, at the Board, and she will be available to  
20 talk. Give her just a few more weeks to adjust to the  
21 large subject matter she's consuming.

22 CHAIRPERSON PETERSEN: She's a quick study. It's  
23 taken me six months to figure this out.

24 And by the way, that's one of our favorite  
25 programs, so this is good stuff.

1           So welcome.

2           Okay. Lorraine, are we ready?

3           ACTING DEPUTY DIRECTOR SMITH VAN KEKERIX: I'm  
4 Lorraine Van Kekerix, acting deputy director for  
5 diversion, planning, and local assistance division. And I  
6 have a very short deputy director report for you this  
7 morning.

8           I wanted to report to you on the status of the  
9 2003/2004 biennial reviews for California jurisdictions.  
10 This is an update on where we are.

11           To date, the Board has approved 2003/2004 biennial  
12 review findings for 268 jurisdictions. Of these, 244  
13 jurisdictions have diversion rates that were at or above  
14 50 percent diversion goals, and they had implemented  
15 programs; and 24 jurisdictions were found to have made a  
16 good faith effort to implement all reasonable and feasible  
17 diverse programs, although their diversion rates were  
18 below the 50 percent goal. There are still 41  
19 jurisdictions whose biennial review findings will be  
20 presented to the Board or will be delegated to the  
21 executive director for consideration over the next several  
22 months.

23           And staff analysis has found gaps in program  
24 implementation for some of those 41 jurisdictions. And  
25 staff is out, doing site visits to confirm whether there

1 are the gaps in program implementation, before they are  
2 brought to you.

3 There are 115 jurisdictions whose biennial reviews  
4 have been delayed until a later time. The reason they  
5 have been delayed is they were either granted a time  
6 extension that lasted through 2005 and will need to get  
7 2005 data to see how they are doing, or the Board has  
8 issued a compliance order and they are on a compliance  
9 plan that extends past the -- past this year.

10 And that ends my deputy director report.

11 CHAIRPERSON PETERSEN: Thank you, Lorraine.

12 Any comment?

13 COMMITTEE MEMBER PEACE: I guess I just have a  
14 general question for Lorraine.

15 On those jurisdictions that are at 50 percent, in  
16 that 50 percent number can be ADC, so you can use ADC as  
17 diversion. And it seems to me it's kind of anywhere from  
18 5 to 15 percent of their diversion is ADC.

19 Do you work with P&E then and stuff to see if you  
20 think they are using too much ADC or claiming too much ADC  
21 in your diversion numbers, or have you....

22 ACTING DEPUTY DIRECTOR SMITH VAN KEKERIX: In  
23 terms of individual jurisdiction claims for ADC, we take a  
24 look at those and we see how much they are. However, what  
25 we look at in terms of working with Permitting and

1 Enforcement is whether the facilities that are using ADC  
2 are using ADC in amounts that are greatly in excess. So  
3 we routinely take a look at our DRS, disposal reporting  
4 system, filings for the various facilities, and we  
5 determine whether there looks like there's an excess of  
6 ADC used at facilities.

7 And we notified P&E if we discover any that look  
8 very high, and we work with them if there are  
9 investigations of those facilities. So it's a joint  
10 investigation by both DPLA and P&E staff.

11 COMMITTEE MEMBER PEACE: Okay. Thank you.

12 CHAIRPERSON PETERSEN: Any other questions?

13 I guess we're on to Item B, Board Item 7.

14 ACTING DEPUTY DIRECTOR SMITH VAN KEKERIX: Correct.

15 The next item is Consideration of Options for  
16 State Agencies and Facilities that did not Comply with  
17 Public Resources Code Section 42921(a) in Consecutive  
18 Years.

19 We are bringing a policy item to you. This is the  
20 way that the Board has adopted policies in the past. We  
21 bring the policy item to you for consideration of what you  
22 should be doing rather than bringing the -- the item at  
23 the same time that we're bringing noncompliant state  
24 agencies or jurisdictions, so that you consider the policy  
25 and adopt it prior to taking action on individual state



1 agencies or jurisdictions.

2 So Trevor O'Shaughnessy will make the staff  
3 presentation on this item.

4 STATE AGENCY ASSISTANCE SECTION SUPERVISOR

5 O'SHAUGHNESSY: Good morning, Mr. Chair, and  
6 members of the Committee. My name is Trevor  
7 O'Shaughnessy, the supervisor of the State Organization  
8 and Facility Assistance Section.

9 The item before you today is addressing issues  
10 concerning Section 429.

11 CHAIRPERSON PETERSEN: Trevor, one second. I just  
12 want to recognize Board Member Wiggins is here. Good  
13 morning. Before I forget. I'm forgetting I'm here.

14 And any ex partes?

15 COMMITTEE MEMBER WIGGINS: No.

16 CHAIRPERSON PETERSEN: Okay. Sorry, Trevor.

17 STATE AGENCY ASSISTANCE SECTION SUPERVISOR

18 O'SHAUGHNESSY: That's perfectly fine.

19 The item before you is considering issues and  
20 procedures or policies to address the Public Resource Code  
21 section 42921. This mandate requires all state agencies  
22 to reduce their waste 50 percent by January 1st, 2004, and  
23 to maintain that diversion.

24 Additionally, the statute requires the submittal  
25 of an annual report to the Integrated Waste Management

1 Board outlining the success of achievement of the  
2 50 percent. Staff analyzes and reviews the annual reports  
3 to determine compliance with the mandates by the state  
4 agencies that are reporting to us.

5 The law does not include any penalties that the  
6 Board can enforce. In addition to that, it does not  
7 provide any good faith efforts for state agencies'  
8 compliance with the mandates.

9 So staff has been reading this, that if you are  
10 any percentage below the 50 percent, whether it's  
11 49 percent or 6 percent, in a worse case scenario, you  
12 cannot determine a good faith effort based on the  
13 implementation of programs within the current statute as  
14 written.

15 Finally, it does not address what to do with state  
16 agencies that have been non-compliant with the 50 percent  
17 diversion for two or more consecutive years. So if an  
18 agency was at 38 percent for the reporting year of 2004  
19 and they were at 40 percent for the reporting year of  
20 2005, our most current year, there's no specific direction  
21 within the legislation as to what the Integrated Waste  
22 Management Board should do in those situations.

23 The item before you is consideration of adoption  
24 of procedures that will be options for a case-by-case  
25 consideration by both the staff and Board members when

1 making a final determination of compliance.

2 Staff has developed six options for consideration  
3 by the Board. The first is the development of a Web site  
4 that would post agencies and show agencies and facilities  
5 that are not in compliance with the mandate.

6 The secondary option is to direct public affairs  
7 to outreach to the media with a press release and other  
8 available tools to notify the media of noncompliance by  
9 specific state agencies and facilities.

10 The third option is to direct the placement of  
11 paid advertisements within the media market either of the  
12 facilities or within the state of California's media  
13 market to notify the state of California and its residents  
14 of noncompliance with the mandate.

15 The fourth staff is recommending and has an option  
16 of having the Board leadership work with the facilities  
17 and agencies on refining and modifying their plans for  
18 achievement of the 50 percent to identify additional  
19 programs.

20 The fifth option is presenting the continuation of  
21 the past practices that have been implemented by the  
22 Integrated Waste Management Board for those facilities  
23 that have not met the mandated requirements. And this is  
24 included in a letter to the legislature signed by the  
25 Board's chair; a continued assistance by staff to help the

1 agency identify and further implement programs to achieve  
2 50 percent; and to ask each facility or agency to submit  
3 an explanation and/or modifications to their plan to  
4 further enhance their achievement of 50 percent.

5 The final option that's presented to the Board is  
6 to take no action and provide additional direction to  
7 staff to further implement and/or identify other options.

8 Staff's recommendation is Options 1, 2, 4, and 5.

9 Each option that is presented within this item  
10 does have a brief analysis going along with them to  
11 present the pros and cons, if you will, of the -- each  
12 individual item.

13 Staff is available to address all of the options  
14 that are presented to you today.

15 This concludes my presentation. Thank you.

16 CHAIRPERSON PETERSEN: Thank you, Trevor.

17 Are there any questions or comments?

18 COMMITTEE MEMBER WIGGINS: Yeah.

19 CHAIRPERSON PETERSEN: Member Wiggins?

20 COMMITTEE MEMBER WIGGINS: I was in the  
21 legislature, and I can tell you that a letter to the  
22 legislature means absolutely nothing. Nobody cares and  
23 nobody reads it. I never received one letter to the  
24 legislature, never came by my desk after six years in the  
25 legislature. So I -- you know, it's just total bullshit.

1           But I think contacting the media makes sense. And  
2 maybe, you know, we could list the people who meet their  
3 50 percent diversion and those who don't. Because you  
4 know, after two years and they are not -- and a state  
5 agency isn't meeting this requirement, you know, that's  
6 not healthy.

7           So I think we should -- I like the Web site. But  
8 we should contact the media. The Sacramento Bee would be  
9 fine. And I agree, not having advertisements placed.  
10 That's ridiculous. But anyway, that's -- that's my  
11 opinion.

12           CHAIRPERSON PETERSEN: Thank you, Member Wiggins.

13           Member Peace, do you have anything that you would  
14 like to add?

15           Let's get on with it.

16           COMMITTEE MEMBER PEACE: Pat, would it get their  
17 attention -- would it help at all if a Board member met  
18 with somebody in the leadership in the Senate or the  
19 Assembly or the administration to try to tell them that  
20 this agency isn't doing what they are supposed to do, that  
21 they are not walking the talk [sic]? That the rest of the  
22 jurisdictions and the state have -- they have to meet our  
23 needs, that the state agencies aren't doing? Would that  
24 have any impact?

25           COMMITTEE MEMBER WIGGINS: No.

1 CHAIRPERSON PETERSEN: So if we walked across the  
2 street and I came over to you and said --

3 COMMITTEE MEMBER WIGGINS: That's different.

4 CHAIRPERSON PETERSEN: Okay. Well, I will go see  
5 somebody else. But basically it does not -- there's no  
6 play there.

7 COMMITTEE MEMBER WIGGINS: No.

8 CHAIRPERSON PETERSEN: Is that what you are  
9 telling me?

10 Okay. All right.

11 Well, then, now we haven't in the past, this Board  
12 has never sent letters to the media with regards to  
13 notifying the jurisdictions -- you know, one of our  
14 agencies is out of whack. Have we ever done that?

15 ACTING DEPUTY DIRECTOR SMITH VAN KEKERIX: The  
16 Board has had press releases for jurisdictions that have  
17 been placed on compliance orders. They've had press  
18 releases for jurisdictions that met the 50 percent, and  
19 we've had press releases for jurisdictions that got  
20 penalized. We have not had anything similar for state  
21 agencies.

22 CHAIRPERSON PETERSEN: Hmm.

23 So the next question is: Was it effective at all  
24 in letting people know what was going on? Did you get any  
25 feedback from that, from the letters we sent out?

1           ACTING DEPUTY DIRECTOR SMITH VAN KEKERIX: Well,  
2 we did get feedback on -- from jurisdictions when --  
3 especially when we had the penalty press releases, that  
4 got people's attention amongst the jurisdictions.

5           CHAIRPERSON PETERSEN: Okay. Well, we're blazing  
6 a new trail here with these letters. So this might be  
7 very interesting.

8           Do I hear a motion?

9           COMMITTEE MEMBER WIGGINS: A motion to do what?

10          CHAIRPERSON PETERSEN: To approve the staff's  
11 recommendation.

12          COMMITTEE MEMBER WIGGINS: Oh, well I -- let me  
13 look at the resolution.

14          Well, I mean, a letter to the legislature is fine.  
15 But I mean, I think the rest of them that the staff  
16 outlined makes sense, so I move for the adoption of  
17 resolution 2006-213.

18          COMMITTEE MEMBER PEACE: Second that.

19          CHAIRPERSON PETERSEN: Deb, call the roll, please.

20          EXECUTIVE ASSISTANT BALLUCH: Peace?

21          COMMITTEE MEMBER PEACE: Aye.

22          EXECUTIVE ASSISTANT BALLUCH: Wiggins?

23          COMMITTEE MEMBER WIGGINS: Aye.

24          EXECUTIVE ASSISTANT BALLUCH: Petersen?

25          CHAIRPERSON PETERSEN: Aye.

1           Okay. Thank you. John, ready?

2           ACTING DEPUTY DIRECTOR SMITH: First, the deputy  
3     director's report.

4           Good morning, Chair Petersen, and Committee  
5     Members Peace and Wiggins. For the record, my name is  
6     John Smith. I'm the acting deputy director for Waste  
7     Prevention and Market Development.

8           I have a few items to cover in my report, and then  
9     we'll follow with the divisions's two remaining agenda  
10    items.

11          CHAIRPERSON PETERSEN: John, wait a second. I  
12    would like to put that last item on consent, please.

13          ACTING DEPUTY DIRECTOR SMITH: The Board, along  
14    with the Business for Local Living Economies, acronym  
15    BLLE, co-hosted a conference in Hollister on October 19th,  
16    entitled "Redefining Economic Development in California."

17          The conference featured industry-specific panel  
18    discussions in a town hall forum about balancing economic  
19    growth and retaining open space in San Benito County.

20          Conference attendees included Congressman Sam  
21    Farr, business and governmental leaders from central coast  
22    and the San Francisco Bay Area regions.

23          Speakers concurred that the city should focus on  
24    growing small local businesses since these businesses  
25    create 70 to 80 percent of the local job growth in the



1 sector and to take advantage of market trends to boost  
2 local growth, focusing on such things as sustainable  
3 agriculture, renewable energy, zero waste manufacturing,  
4 and green building.

5 Board Member Wiggins offered welcoming remarks to  
6 the group, and Board Member Danzinger was the dynamic  
7 luncheon keynote speaker.

8 On the following day, BLLE facilitated a  
9 post-conference discussion with zone administrators on  
10 their zone challenges and how to better develop zones  
11 based on the sustainability model that was discussed the  
12 previous day.

13 Staff attended a second sustainability conference  
14 in Chico last Friday. This conference covered a variety  
15 of sustainability issues in the areas of ethnics,  
16 appropriate roles of local businesses, and the  
17 community-decision leaders, and provided a structured  
18 venue for engaging Butte County residents in an  
19 interactive discussion about local and regional  
20 sustainability.

21 In those discussions, the environmental and  
22 economic benefits of recycling and green building were  
23 prominently mentioned.

24 Coming up events: Our RMDZ staff will be  
25 traveling to Del Norte and Humboldt counties to meet with

1 the local businesses and the regional zone administrator  
2 there.

3 Two goals of that trip will be to assess specific  
4 efforts and services the Board can provide to the regional  
5 zone administrator and the local businesses; and to attend  
6 the specific awards presentation to Fire & Light that is  
7 scheduled for November 9th. This event was made possible  
8 by the great efforts of Committee Member Wiggins.

9 On November 15th, there will be a regional RMDZ  
10 meeting held at Santa Clarita's newly constructed lead  
11 transit facilities. TAs will listen to a special  
12 presentation by Charles Andyo [phonetic] of IC Solutions,  
13 a loan recipient in Kern County that recycles asphalt  
14 shingles. He will provide an overview of how his company  
15 and some of his new ideas he has for the future.

16 These meetings facilitate discussions among zone  
17 administrators on regional common issues related to  
18 problem waste streams, feed stocks, and opportunities for  
19 recycling manufacturers.

20 Board staff at these meetings also provide the  
21 latest information on relevant Board programs and  
22 services.

23 Turning to e-waste, Board Chair Margo Brown  
24 provided opening remarks at the inaugural kickoff at the  
25 E-Recycle Consumer Education Program Advisory Group.

1           This group, made up of various e-waste  
2 stakeholders were recruited to assist in outreach efforts,  
3 creating a true public-private partnership.

4           Members of the group include manufacturers like  
5 Sony, Dell, and HP; retailers like Wal-Mart, Fry's, and  
6 Best Buy; recycling industry non-profits like Good Will;  
7 local government bodies including San Francisco, Los  
8 Angeles, and San Diego; state agency Board of  
9 Equalization, DTSC, and federal EPA region nine. All  
10 participated in that group.

11           Officer of Public Affairs and E-waste staff, Jeff  
12 Huntz [phonetic] provided structure and goals for the  
13 program. Board Member Rosalie Mulé wrapped up, stating  
14 the Board's commitments and by encouraging their  
15 insistence in helping the Board produce useful tools for  
16 the industry.

17           Permanent regulations for the e-waste program went  
18 to Office of Administrative Law on October 13th. OAL now  
19 has 30 working days from the 13th to approve or disapprove  
20 those regulations.

21           Workshops are being planned to update stakeholders  
22 as soon as the regulations are approved. That approval  
23 date will most likely come after Thanksgiving or early  
24 December.

25           That concludes my report.

1 Are there any questions?

2 CHAIRPERSON PETERSEN: Questions? John, that  
3 keeps us on track on our target time for the e-waste?

4 ACTING DEPUTY DIRECTOR SMITH: Yes, it does.

5 CHAIRPERSON PETERSEN: That's a great job. Good,  
6 good.

7 Member Wiggins?

8 COMMITTEE MEMBER WIGGINS: Yeah. Apropos of what  
9 this committee's about, Fire & Light, who make the plates  
10 that are given out to the WRAP award winners, they haven't  
11 been recognized. And so on November 9th, in Eureka, in  
12 Humboldt County, in the Board of Supervisor chambers, at  
13 the Humboldt Waste Authority Meeting, Fire & Light are  
14 being awarded a resolution from the California Integrated  
15 Waste Management Board. And I will be there, and some of  
16 our staff is going to be there.

17 ACTING DEPUTY DIRECTOR SMITH: Yes, that's right.

18 COMMITTEE MEMBER WIGGINS: So I'm very excited  
19 about this, that they get recognized for taking all this  
20 broken glass and making beautiful products.

21 ACTING DEPUTY DIRECTOR SMITH: A hundred percent  
22 post-consumer.

23 CHAIRPERSON PETERSEN: Didn't they make the  
24 50 percent?

25 COMMITTEE MEMBER WIGGINS: Yep.

1 CHAIRPERSON PETERSEN: They do great stuff.

2 ACTING DEPUTY DIRECTOR SMITH: They do.

3 CHAIRPERSON PETERSEN: Companies like that are on  
4 the A list.

5 ACTING DEPUTY DIRECTOR SMITH: Exactly.

6 CHAIRPERSON PETERSEN: We're moving on to Item D.

7 ACTING DEPUTY DIRECTOR SMITH: Item D, or Board  
8 Agenda Item No. 8, Consideration of Reappointment of Three  
9 Loan Committee Members for the Recycling Market  
10 Development Loan Program Loan Committee.

11 A nine-person loan committee composed of a mix of  
12 public and private lenders, which are representative of  
13 the major geographic areas of the state, was established  
14 through Board regulations.

15 The purpose of the committee is to assist RMDZ  
16 loan staff and the Board in evaluating applicants' credit  
17 worthiness and their ability to repay the loan.

18 Members serve up to three years. Three existing  
19 members' -- Fran Aguilera, a public lender representing  
20 central California; Michael Owen, a private lender  
21 representing southern California; and Kathleen Todd, a  
22 private lender representing central California -- terms  
23 will expire at the end of this year.

24 According to existing policy, members are asked if  
25 they desire to continue for another term. All three have

1     agreed.

2             During their current term, these three have  
3     demonstrated their valuable financial experience and  
4     expertise and their ability to provide great input on  
5     loans presented.

6             Based on that, staff is recommending that the  
7     Board approve Option 1 and adopt Resolution No. 2006-201  
8     reappointing Frank Aguilera, Michael Owen, Kathleen Todd  
9     to the loan committee with new terms expiring on  
10    December 31st, 2009.

11            Are there any questions?

12            CHAIRPERSON PETERSEN: Questions?

13            COMMITTEE MEMBER PEACE: There is no pay involved  
14    in this; right?

15            ACTING DEPUTY DIRECTOR SMITH: The only thing --  
16    the compensation is per diem. They are paid to travel up  
17    here to the committee.

18            COMMITTEE MEMBER PEACE: I mean, all these people,  
19    they sound so very qualified.

20            ACTING DEPUTY DIRECTOR SMITH: They are.

21            COMMITTEE MEMBER PEACE: They are really paying  
22    for their services. I guess we are really lucky that they  
23    are asking us to do it for another three years.

24            ACTING DEPUTY DIRECTOR SMITH: And they are a very  
25    professional group.

1 CHAIRPERSON PETERSEN: Are they here today?

2 ACTING DEPUTY DIRECTOR SMITH: No, they are not  
3 here today.

4 CHAIRPERSON PETERSEN: Well, I am excited about  
5 having them back.

6 COMMITTEE MEMBER PEACE: I would like to move  
7 Resolution 2006-201.

8 COMMITTEE MEMBER WIGGINS: Second.

9 CHAIRPERSON PETERSEN: Deb?

10 EXECUTIVE ASSISTANT BALLUCH: Peace?

11 COMMITTEE MEMBER PEACE: Aye.

12 EXECUTIVE ASSISTANT BALLUCH: Wiggins?

13 COMMITTEE MEMBER WIGGINS: Aye.

14 EXECUTIVE ASSISTANT BALLUCH: Petersen?

15 CHAIRPERSON PETERSEN: Aye.

16 Item E.

17 ACTING DEPUTY DIRECTOR SMITH: On consent?

18 CHAIRPERSON PETERSEN: On consent, please, yeah.  
19 Thanks, Marie.

20 ACTING DEPUTY DIRECTOR SMITH: The next item is  
21 Item E or Board Item No. 9, Consideration of the  
22 Eligibility Criteria, Scoring Criteria, and Evaluation  
23 Process for the Reuse Assistance Grants for Fiscal Year  
24 2007/8, and 2008/9.

25 Rachelle Tarver will be presenting the item today.

1           (Thereupon an overhead presentation was  
2           presented as follows.)

3           MS. TARVER: Good morning, Committee Chair and  
4           Committee Members. My name is Rachelle Tarver, and I  
5           oversee the Reuse Assistance Grants Program.

6           And as John said, Agenda 9 requests the Board to  
7           consider the eligibility criteria and the scoring criteria  
8           as well as the evaluation process for the next two grant  
9           cycles of this program.

10                               --o0o--

11           MS. TARVER: So first up is the eligibility  
12           criteria. Staff has not proposed any changes to the  
13           eligibility criteria, so it remains the same.

14           Applicants must be a local public agency which is  
15           defined as any city or county government that has  
16           obligations to develop an integrated waste management  
17           program. So these grants are specifically for city and  
18           counties.

19           Projects must be focused on targeting,  
20           specifically, reuse. So no recycling packages would be  
21           funded under this grant program. And then also, is a  
22           commitment of matching funds are required from the  
23           applicant. That minimum requirement is half of what the  
24           applicant would be requesting.

25           For example, if that applicant requested \$50,000,



1 then a minimum amount of \$25,000 is what they would commit  
2 in matching funds. And I am happy to report that most of  
3 the grantees commit well above and beyond this minimum  
4 amount.

5 --o0o--

6 MS. TARVER: So the next is the -- I'm sorry. I'm  
7 having technical difficulties here with my -- there it  
8 goes. I'm sorry. My mouse is not cooperating. I want to  
9 go back now, but it's not accepting -- okay. Thank you.

10 The next category is the scoring criteria. This  
11 process is a two-step process for the applicants; there's  
12 two categories:

13 The first is the general review criteria, and it's  
14 currently at a maximum of 90 points. The first category  
15 is the needs. And this requires the applicant to provide  
16 a very clear and concise description of what their program  
17 need is. For example, what is currently happening as far  
18 as reuse efforts in the community as well as what would  
19 happen to their proposed project if it wasn't funded  
20 through the Waste Board? So this is heavily weighted;  
21 it's very crucial to the whole application.

22 The second category is goals and objectives.  
23 Again, this category is also heavily weighted at 20  
24 points. This gives the opportunity for the applicants to  
25 specifically describe each goal and each objective in

1 order to make this program happen.

2 There's also a section on a work plan. And this  
3 actually puts the goals and objectives into a chart to  
4 where it describes who's going to do what at what  
5 timeframe. So that's very specific.

6 The evaluation section describes the  
7 quantification of the amount of materials being diverted,  
8 or in this case reused, as well as their evaluation  
9 process and how they will be assessing the success of the  
10 program.

11 The next category is the budget. Currently, 10  
12 points are allotted to this category. And again, this  
13 matches up with the work plan, and it's just a budget. So  
14 they -- they attach a financial value to their work plan.

15 The next category is the application completeness  
16 section. Five points are awarded for this section, and  
17 this is self-explanatory. They get points for completing  
18 the application correctly.

19 And the last subcategory is the recycled content  
20 purchasing policy. Points are awarded to applicants that  
21 have a formal policy in place that they are implementing.  
22 In this case of this last round of grants, actually no  
23 points were awarded because they didn't have a policy. So  
24 that significantly decreased their score.

25 --o0o--

1 MS. TARVER: And then for the next slide is the --  
2 the second category, and that's the preference criteria.  
3 This is the section where the staff proposed changes to  
4 the Committee.

5 As you see on the slide, it says, "Key priority  
6 wastes/innovative projects." For key priority wastes, it  
7 was food waste and construction and demolition. Staff is  
8 proposing that we change food waste to organics to expand  
9 that. So food waste is still included, but we were hoping  
10 that this would bolster the applicants being submitted --  
11 maybe a project would be submitted as far as -- it would  
12 target, for example, landscapers. That would have an  
13 opportunity to reuse trees or shrubs or donate those to  
14 schools, so we were hoping they could bolster that  
15 section.

16 The next two bullets is something that has been  
17 added, projects that are groundbreaking and/or have a  
18 unique approach to reusing. And then the last bullet is  
19 projects that transform how daily business is conducted or  
20 structured.

21 So our intent is just to really bolster the  
22 program. The projects that we have been -- that we have  
23 received in the past are great, but we're just trying to  
24 revitalize and revamp the applications that we do receive.

25 The last bullet is vocational and job skills, and

1 three points are awarded for this section.

2 And I would like to back step a bit. The point  
3 structure for this grant program is a total of a hundred  
4 points. Currently, 90 points are for the first major  
5 category, the general review category; and then 10 points  
6 for the preference criteria.

7 Applicants are required to get a -- to earn a  
8 minimum of 65 points in the first category, the general  
9 review category, in order to be considered for funding as  
10 well as the possibility of earning preference criteria  
11 points. So they have to pass that first step or that  
12 first stage.

13 --o0o--

14 MS. TARVER: And for the next slide, this is just  
15 an example of an innovative program in the past that I  
16 would like to showcase at this moment.

17 As an example of creative and innovative programs,  
18 there is -- this is an example of a past reuse assistance  
19 grants. This is Kenter Canyon Charter School. And this  
20 picture showcases a craftsman style building that was a  
21 movie set used in the movie Life as a House. This movie  
22 set was destined to become demolition debris until parents  
23 of children attending the school rescued the house and  
24 marked it for the school's new library. The house was  
25 built of Douglas fir and originally constructed from parts

1 in a kit.

2           Once the donation of the building by the film  
3 company was legally completed, 18 to 20 professionals  
4 spent four days dismantling the movie set and then once  
5 they secured funding from many different partners, one  
6 being the Waste Board, then when we were able to  
7 reconstruct this as their school library and also  
8 incorporate green building aspects and then using green  
9 building products within the school library.

10           So this is what we're looking for, and this is  
11 what we're hoping for as far as new applicants.

12           So it definitely demonstrates a new and original  
13 way of using materials.

14                               --o0o--

15           MS. TARVER: And then as far as the evaluation  
16 process, this is very thorough. Our review is very  
17 thorough through the whole process. After the close of  
18 the application period, grant administrative unit staff  
19 enters in the initial data, and then they do a  
20 completeness review of each applicant, ensuring that they  
21 are an eligible applicant, making sure all the forms are  
22 completed and included in the application.

23           Then a panel of three staff review and evaluate  
24 the applications. Part of that process is getting  
25 together as a group, going over the scoring criteria and

1 what is required as far as the evaluation process and a  
2 proposed time line. At that point each reviewer  
3 independently reviews their applications, they score it,  
4 and then we come back as a panel to discuss those scores.

5 We have to come within a five-point spread. If  
6 that does not happen, then we take that opportunity to  
7 discuss why scores were given the way they were. Maybe  
8 someone had scored very highly and another person scored  
9 very lowly. So we take this time to just go over the  
10 scores.

11 And then final scores are averaged and -- once we  
12 get the final scores, they are averaged and ranked and  
13 listed according to the geographical distribution and then  
14 we propose an agenda item for awarding of funding.

15 --o0o--

16 MS. TARVER: So options for the Board is to  
17 approve Resolution 2006-182 to direct staff to issue a  
18 notice of funds available in accordance with the  
19 recommended approaches discussed in this item to use the  
20 proposed evaluation and scoring criteria to evaluate and  
21 rank proposals for fiscal years 2007/08, 2008/09 offerings  
22 of the Reuse Assistance Grant Programs with the intent to  
23 award the highest scoring proposals until funds are  
24 exhausted, and to bring the resultant list back to the  
25 Board for award, and adopt Resolution No. 2006-182; or

1     revise the eligibility and scoring criteria and evaluation  
2     process; or have staff bring back another agenda item.

3             So at this point, this is my conclusion of the  
4     presentation. If you have any questions or comments on  
5     how you would like to see something changed?

6             CHAIRPERSON PETERSEN: Any comments or questions?

7             COMMITTEE MEMBER WIGGINS: I want to hear from  
8     you.

9             CHAIRPERSON PETERSEN: I'm ready. Okay.

10            Thank you.

11            First of all, as a part of the hierarchy, this is  
12     one of the top priorities in my mind. And what they did  
13     on the house at Kenter Canyon Charter School, that was  
14     amazing. A lot of that staff can be -- we don't have  
15     enough money in this program. So we need to start taking  
16     a look at what we can do to make this thing more creative.

17            As a waste prevention strategy, reuse is at the  
18     top of the diversion hierarchy. So it's disappointing  
19     again that we don't have more money than the \$250,000 in  
20     the budgets. I would like to see the Board put more  
21     emphasis on reuse and would like to be part of further  
22     discussion about how we might do that. Encouraging the  
23     most innovative and potentially successful proposals  
24     should be our goal in this grant program.

25            I would like to offer a couple of suggestions that

1 I think would help make this possible:

2 First, I propose that we eliminate the north-south  
3 split in this grant program. Funding for this program is  
4 so low that we really need to focus on creative results,  
5 not distribution;

6 Second, I would like to suggest some revisions of  
7 the scoring criteria that would put more focus on the  
8 Board's priority, the reuse priority. I would like to see  
9 an increase in the preference points by 15 points to 25  
10 out of 100, as follows: 15 points for key priority  
11 waste/innovative program criteria; 5 points for vocational  
12 training criteria; and 5 points for a new grant  
13 application, a new category.

14 This would require a corresponding 15-point  
15 reduction in the general review criteria, which I propose  
16 we accomplish by combining the work plan and the budget,  
17 for a total of 10 points instead of 20, and the reduction  
18 of recycled content purchasing policy criteria to 10  
19 points instead of 15 points.

20 This leaves 75 points for the general eligibility  
21 review instead of 90. So I propose that we reduce the  
22 qualifying score to 55 points for projects to be eligible  
23 for funding and preference points.

24 Further, I also propose that the Board consider  
25 funding additional proposals for which funding is not



1 available under this offering during any reallocation of  
2 IWMA funds later in the year.

3 That's what I propose to do, and the reason is,  
4 the creativity has got to come, and we've got to stimulate  
5 it, just like you said earlier. So these are my ideas of  
6 what I would like to do.

7 ACTING CHIEF COUNSEL CARTER: Excuse me,  
8 Mr. Chair. I have one comment.

9 In reference to your proposal to combine the  
10 budget and work plan --

11 CHAIRPERSON PETERSEN: Correct.

12 ACTING CHIEF COUNSEL CARTER: -- for purposes of  
13 prior Board direction on standardization of all of our  
14 grants, the general criteria requires those seven  
15 categories. So I would just suggest that you maintain the  
16 points that you are proposing for each category but break  
17 them out so you have got --

18 COMMITTEE MEMBER PEACE: Do we still have, like, 5  
19 points for the work plan, and 5 points for the budget?

20 ACTING CHIEF COUNSEL CARTER: Right. You would  
21 just have seven.

22 CHAIRPERSON PETERSEN: That's fine. That's fine  
23 with me.

24 COMMITTEE MEMBER PEACE: I guess all those things  
25 make sense to me. We usually have a north-south split,

1 but \$250,000 really isn't that much money. If we ever got  
2 more money, I would like to make sure that we reconsidered  
3 going back to a north-south split. But I don't see  
4 anything wrong with eliminating that.

5 Does staff see any problem at all?

6 MS. TARVER: No, actually --

7 CHAIRPERSON PETERSEN: Turn your mike on.

8 MS. TARVER: Yeah, actually I would -- as a staff  
9 person and overseeing this program, I personally prefer  
10 not having a geographical distribution. What I have seen,  
11 in the past, is oftentimes really good programs are not  
12 funded merely because they are in the north or south.

13 COMMITTEE MEMBER PEACE: It does make sense to get  
14 rid of that north-south split. And I do like the idea of  
15 actually giving more points to key priority  
16 waste/innovative programs.

17 CHAIRPERSON PETERSEN: Member Wiggins?

18 COMMITTEE MEMBER WIGGINS: Yeah. Well, I agree  
19 that this isn't enough money to do anything with. And so  
20 my question is: How can we bring this forward to get more  
21 money for the programs? I have a No. 2 question, but this  
22 is so underfunded.

23 CHAIRPERSON PETERSEN: Yep.

24 COMMITTEE MEMBER WIGGINS: And so can we get  
25 something to bring it back for an agenda item?

1 CHIEF DEPUTY DIRECTOR NAUMAN: Board Members, it  
2 would require a BCP --

3 COMMITTEE MEMBER WIGGINS: What's that?

4 CHIEF DEPUTY DIRECTOR NAUMAN: A budget change  
5 proposal. So it would have to go through the budget cycle  
6 to actually change the base amount that goes into this  
7 program every year.

8 Chairman Petersen suggested that there's  
9 opportunity for reallocation of IWMA money.

10 COMMITTEE MEMBER WIGGINS: Well, let's do that.

11 CHIEF DEPUTY DIRECTOR NAUMAN: And that would come  
12 later in the year.

13 COMMITTEE MEMBER WIGGINS: Well, let's do it.  
14 This is ridiculous.

15 CHAIRPERSON PETERSEN: And I agree.

16 Can we take a note that I would like to take a  
17 look at this in the budget next year? Because absolutely,  
18 this is the hierarchy of where we are trying to go here,  
19 and it's the least funded.

20 Does that make sense?

21 CHIEF DEPUTY DIRECTOR NAUMAN: We can pursue both  
22 routes.

23 CHAIRPERSON PETERSEN: Great.

24 MS. TARVER: Thank you.

25 COMMITTEE MEMBER WIGGINS: And then my second

1 question is: The evidence of recycled content, which is  
2 really an important issue, if we take 5 points from that,  
3 it makes it less important, which I think buying recycled  
4 products is very important. So can we take the 5  
5 points -- because I like your scoring criteria  
6 otherwise -- from the need or goals and objectives to keep  
7 it in the evidence of recycled content? I mean, that's  
8 what we are all about.

9 CHAIRPERSON PETERSEN: I agree.

10 The reason I did that is I took the five off so we  
11 could get -- on the new grant applications, to give them a  
12 priority, because they are going to have to meet the  
13 recycled content for 10 points, and anybody who's writing  
14 one of these things, you -- and remember, you had  
15 mentioned that some of these people didn't have a policy.  
16 I mean, when you read this, you better have a policy. I  
17 mean 10 points is 10 points.

18 But I was trying to get -- there are people who  
19 have done this before who are really good at it. And the  
20 reason I gave 5 points to the new grant application --

21 COMMITTEE MEMBER WIGGINS: I like that.

22 CHAIRPERSON PETERSEN: -- is creativity. Just  
23 like the schoolhouse. I mean, oh, my god. That's great.

24 COMMITTEE MEMBER WIGGINS: That's great.

25 CHAIRPERSON PETERSEN: So I'm trying to sit here

1 and -- I scratch my head trying to figure out how to do  
2 this. And Chris and I tried to figure it out. And this  
3 is what I came up with. So that's why I came up with the  
4 10 points for recycled content, from 15.

5 COMMITTEE MEMBER PEACE: I think what Pat is  
6 saying is she wants to take the 5 points out of the need.

7 CHAIRPERSON PETERSEN: Can we do that?

8 COMMITTEE MEMBER PEACE: So that would make that  
9 20 points and we would keep the evidence of recycled  
10 content purchasing at 15.

11 CHAIRPERSON PETERSEN: That's fine with me.

12 COMMITTEE MEMBER WIGGINS: That's fine with me.

13 CHAIRPERSON PETERSEN: Fine with me.

14 How's that with you?

15 MS. TARVER: 5 points out of the need?

16 CHAIRPERSON PETERSEN: Yeah. And keep the  
17 15 percent on recycled content. We're negotiating here.

18 MS. TARVER: My initial hesitation was that the  
19 need and goals and objectives categories are ones so  
20 heavily weighted because it's so critical to the  
21 application. You know, basically making the case for  
22 their program. So I guess I would say that 5 point --  
23 reducing it to 20 points is good.

24 CHAIRPERSON PETERSEN: Okay. I love it. It's  
25 good. Okay. Now, did everybody get that?

1 Do I hear a motion?

2 COMMITTEE MEMBER PEACE: Okay. So what we're  
3 doing here as we go through these things, it says  
4 applications must score at least 55 points for the general  
5 review. Under "need" is 20 points.

6 CHAIRPERSON PETERSEN: Right.

7 COMMITTEE MEMBER PEACE: Goals and objectives stay  
8 at 20; work plan, 5; evaluation, 5; budget, 5; application  
9 for completeness, 5; evidence of recycled content  
10 purchasing policy, 15; for a total of 75.

11 And then key criteria waste programs, 15;  
12 vocational training, 5; new grant applicant, 5; for a  
13 total of possible preference points of 25, and then the  
14 total of a hundred.

15 MS. TARVER: Yes.

16 CHAIRPERSON PETERSEN: Correct.

17 COMMITTEE MEMBER PEACE: That's what we are  
18 agreeing on?

19 CHAIRPERSON PETERSEN: I'm there.

20 COMMITTEE MEMBER PEACE: Then I would -- can we  
21 move a resolution, then, with those changes?

22 Let me make a stab at this and tell me if this is  
23 what we can do. I would like to move Resolution No.  
24 2006-182 Revised as followed to reflect -- and I guess  
25 that would come down to the very last paragraph of the

1 resolution, where it says, "Now, therefore be it further  
2 resolved that the Board hereby approves eligibility  
3 criteria, scoring criteria, in Attachment 1 Revised." So  
4 we will revise that. "Matching funds requirement and  
5 evaluation and awards processes with the deletion of the  
6 geographic distribution of awards as set forth in Agenda  
7 Items for fiscal years 2007/8 and 8/9 offerings for the  
8 Reuse Assistance Grants."

9 How's that? Does that work?

10 ACTING CHIEF COUNSEL CARTER: That works.

11 COMMITTEE MEMBER PEACE: I would like to move  
12 that.

13 CHAIRPERSON PETERSEN: Do I hear a second?

14 COMMITTEE MEMBER WIGGINS: Oh, second.

15 CHAIRPERSON PETERSEN: Deb?

16 EXECUTIVE ASSISTANT BALLUCH: Peace.

17 COMMITTEE MEMBER PEACE: Aye.

18 EXECUTIVE ASSISTANT BALLUCH: Wiggins?

19 COMMITTEE MEMBER WIGGINS: Aye.

20 EXECUTIVE ASSISTANT BALLUCH: Petersen?

21 CHAIRPERSON PETERSEN: Aye.

22 Do you want to add that on to consent, please.

23 And that concludes -- and thank you very much,  
24 everybody.

25 MS. TARVER: Thank you so much.

1 COMMITTEE MEMBER PEACE: Just want to make sure  
2 that all the other Board members, that aren't on this  
3 committee, get updated with the revised attachment.

4 ORGANICS & RESOURCE EFFICIENCY BRANCH MANAGER

5 FRIEDMAN: We will post every -- all the revisions  
6 and make sure the Board members all get it.

7 CHAIRPERSON PETERSEN: Fabulous. And thank you  
8 very much. And thanks for listening to all that.

9 This concludes today's committee meeting, and  
10 thank you all for coming.

11 (Thereupon the California Integrated Waste  
12 Management Board, Sustainability and Market  
13 Development Committee meeting adjourned at  
14 10:53 a.m.)

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1 CERTIFICATE OF REPORTER

2 I, KATHRYN S. KENYON, a Certified Shorthand Reporter  
3 of the State of California, do hereby certify:

4 That I am a disinterested person herein; that the  
5 foregoing California Integrated Waste Management Board,  
6 Sustainability and Market Development Committee meeting  
7 was reported in shorthand by me, Kathryn S. Kenyon, a  
8 Certified Shorthand Reporter of the State of California,  
9 and thereafter transcribed into typewriting.

10 I further certify that I am not of counsel or  
11 attorney for any of the parties to said meeting nor in any  
12 way interested in the outcome of said meeting.

13 IN WITNESS WHEREOF, I have hereunto set my hand this  
14 15th day of November, 2006.

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